## **BEFORE**

## THE PUBLIC SERVICE COMMISSION OF

## SOUTH CAROLINA

DOCKET NO. 2011-329-C - ORDER NO. 2011-953

**DECEMBER 28, 2011** 

| IN RE: | Information from Telephone Utilities   | ) | ORDER SCHEDULING |
|--------|--|---|------------------|
|        | Regarding Compliance with 26 S.C. Code | ) | ORAL ARGUMENTS   |
|        | Ann. Regs.103-607                      | ) |                  |

This matter comes before the Public Service Commission of South Carolina ("Commission") on the issue of bonding requirements for certain telephone utilities. On June 24, 2011, revised regulation 26 S.C. Code Ann. Regs. 103-607 became effective requiring certain telephone utilities who provide retail residential local exchange service to post a bond or other security mechanism. To date, the Commission has received multiple requests for waiver of the regulation.

It is the Office of Regulatory Staff's ("ORS") recommendation that the Commission require each telephone utility that meets the criteria identified by the regulation to post a bond or other security mechanism. The current regulation allows the Commission to set the amount of the bond or security mechanism for a company based on number of customers, retail price for service, and financial resources of the carrier. ORS states that a demonstration by the company of financial stability and/or financial resources will not adequately ensure the company will not abruptly cease providing

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service to South Carolina customers, and requests that the Commission schedule these waiver requests for a hearing or otherwise take action.

We find that a hearing on this matter is in the public interest and therefore direct staff to schedule oral arguments concerning the waiver requests.

This Order shall remain in full force and effect until further order of the Commission.

BY ORDER OF THE COMMISSION:

John E. Howard, Chairman

ATTEST:

David A. Wright, Vice Chairman

(SEAL)